

SYN. NO. \_\_\_\_\_

AGN. NO. \_\_\_\_\_

MOTION BY SUPERVISOR DON KNABE

January 5, 2005

With the serious situation which has developed at King/Drew Medical Center, it is time the Board of Supervisors considers the possibility of establishing a health authority to run our entire hospital system. We need to determine what works best for the County of Los Angeles and our 10 million residents.

Before such consideration can take place, a series of questions must be answered and we need a working document to review and consider.

It's time to do what is necessary to provide a firm and lasting answers.

We need a workable plan – a Health Authority Blue Print. The blue ribbon studies we received thus far were conceptual – not specific enough to act upon. We also received case study materials on hospital authorities now in existence elsewhere – how they work, what has worked well in those jurisdictions, and what hasn't. We have also been briefed by knowledgeable experts on the subject.

Now is the time to pull all this information together into a plan that makes sense for Los Angeles County and get the answers to some very important questions.

MOTION

BURKE	_____
YAROSLAVSKY	_____
KNABE	_____
ANTONOVICH	_____
MOLINA	_____

This Health Authority Blue Print needs to answer *at least* the following questions:

- What existing County operations will be shifted to the Authority?
- How will this be phased?
- What will the new Authority be called?
- How many people will be on the Board?
- What will be their qualifications?
- How will they be selected?
- How long will they serve?
- How many hours a year will they work and how much will they be paid?
- How and under what circumstances will they be removed?
- What effect will the transfer of an operation from the County to the Authority have on the civil service status of existing employees?
- What will be the status of new employees?
- What effect will the transfer have on existing bargaining agreements, and how will this be addressed?
- How will the Authority be held accountable for quality of care and financial performance?
- What will be the relationship between the Authority and the County?
- What will be the County's funding obligation?
- What will be the Authority's and County's Section 17000 obligation?
- Who will own the transferred facilities?
- How will capital development be funded?

- How will the levels of Medi-Cal reimbursement be protected and maintained through and after the transfer?
- What County controls will the Authority be subject to in the areas of personnel management, employee relations, purchasing, contracting, capital financing and legal representation?
- Will the Authority be able to use the County's resources in these areas?
- What are the estimated one-time transition costs?
- What are the potential long-term savings?

The creation of a health authority appears to require State legislative action but not a vote of the people. However, given the fundamental change this would make in County government, we may wish to give County voters a direct say through a non-binding ballot resolution on whether the Blue Print we approve should be implemented.

The Health Authority Blue Print also needs to provide a proposed milestone-level action plan, time table and budget for going forward. The action plan and time table should specify that there will be public Board hearings on the draft, a Board decision on the final Blue Print, and optionally, a non-binding local ballot measure on whether the public favors that we to go forward with it.

**I, THEREFORE, MOVE** that the Board of Supervisors instruct the Chief Administrative Officer to:

1. Assemble a team to prepare a draft Health Authority Blue Print which provides answers to the questions stated above along with a proposed milestone-level action plan, timetable and budget. In preparing the draft,

the team should review and cite all available previous studies and reference materials and should consult with key contributors to past studies and other knowledgeable authorities; and,

2. Submit the draft blue print to the Board for consideration within 90 days.

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